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THE APPLICATION OF SOUTH ANDERSON WATER DISTRICT, INC., ORGANIZED PURSUANT TO CHAPTER 273 OF THE KENTUCKY REVISED STATUTES, FOR (1) A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY, AUTHORIZING AND PERMITTING SAID WATER DISTRICT TO CONSTRUCT A WATERWORKS CONSTRUCTION PROJECT, CONSISTING OF EXTENSIONS TO THE EXISTING WATERWORKS SYSTEM; (2) APPROVAL OF THE PROPOSED PLAN OF FINANCING AND APPROVAL OF THE ISSUANCE OF CERTAIN SECURITIES; (3) APPROVAL OF THE INCREASED WATER RATES PROPOSED TO BE CHARGED BY THE DISTRICT TO CUSTOMERS OF THE DISTRICT; AND (4) APPROVAL TO ESTABLISH A WATER PURCHASED ADJUSTMENT TARIFF PROVISION

4. Is the utility currently purchasing all of its water from Lawrenceburg?

5. How much water did the utility purchase during the test period and at what price?

6. What services are performed for director's fee of \$1,800? Who receives this fee?

7. Will the utility be required to maintain a certain debt service coverage level for the proposed financing?

8. Attached is a copy of a comparative income statement with the account balances per books of the test period ending March 31, 1981. Space is provided on this form to make pro forma changes to these account balances should you wish, with another column for the adjusted balances. Should you wish to make pro forma changes to the test period please provide a detailed explanation of each adjustment on a separate sheet of paper and return to this Commission with the responses to the additional information requested.

Done at Frankfort, Kentucky, this 15th day of June 1981.

PUBLIC SERVICE COMMISSION

Merlin M. Jones
For the Commission

ATTEST:

Secretary